

EXHIBIT 36

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

IN RE NATIONAL PRESCRIPTION

OPIATE LITIGATION

This document relates to:

The County of Summit, Ohio, et al. v. Purdue Pharma
L.P., et al., Case No. 18-OP-45090

MDL 2804

Case No. 17-md-2804

Hon. Dan Aaron Polster

Report of David S. Egilman MD, MPH

March 25, 2019

7.21 OPINION – WALGREENS SOLUTION TO RED FLAGGED STORES WAS TO FIND A DISTRIBUTER WHO WOULD SELL TO THEM. ALL 3 WALGREENS DISTRIBUTOR FACILITIES FAILED TO IMPLEMENT SOM PROCEDURES.

See Exhibit B.21 hereto attached.

7.22 OPINION – THE “VENTURE” EXPANDED THE MARKET BY PROMOTING INAPPROPRIATE USE (LOW BACK SPASM) OF 3 YEARS DURATION WITH “SOME PAIN”.

See Exhibit B.22 hereto attached.

7.23 OPINION – THE “VENTURE” INTRODUCED THE CONCEPT OF THE “5TH VITAL SIGN” IN 1995, BUT LATER ALLOWED AMERICAN PAIN SOCIETY TO PROMOTE IT AS ITS OWN CREATION TO ENHANCE THE SALES OF OPIOIDS.

See Exhibit B.23 hereto attached.

7.24 OPINION – ABBOTT AND PURDUE TARGETED INAPPROPRIATE PHYSICIANS FOR USE OF OPIOIDS FOR CHRONIC PAIN.

See Exhibit B.24 hereto attached.

7.25 OPINION – AMERICAN PAIN FOUNDATION (“APF”) FRONTED FOR INDUSTRY TO INCREASE SALES.

See Exhibit B.25 hereto attached.

7.26 OPINION – “VENTURE” MEMBER ENDO FUNDED SEVERAL FRONT ORGANIZATIONS AND FUNDED NIH PUBLICATIONS AND VARIOUS “EDUCATIONAL” EVENTS.

See Exhibit B.26 hereto attached.

7.153 OPINION – OXYCONTIN WAS NOT APPROVED FOR PERSISTENT PAIN.

See Exhibit B.153 hereto attached.

7.154 OPINION – PAIN TREATMENTS WERE A “GAIN LEADER” FOR OTHER DRUG SALES.

See Exhibit B.154 hereto attached.

7.155 OPINION – PHARMACIES COULD HAVE REDUCED THE OPIOID PROBLEM.

See Exhibit B.155 hereto attached.

7.156 OPINION – PHYSICIANS HAD THE MISIMPRESSION THAT OXYCONTIN WAS LESS POTENT THAN MS CONTIN. INSTEAD OF CORRECTING, THIS PURDUE TOOK ADVANTAGE OF THIS IGNORANCE TO ENCOURAGE INAPPROPRIATE USE OF OPIOIDS.

See Exhibit B.156 hereto attached.

7.157 OPINION – PURDUE AGREES THAT MARKETING INCREASES SALES.

See Exhibit B.157 hereto attached.

7.158 OPINION – PURDUE AND McKESSON WORKED IN CONCERT TO GET MISINFORMATION INTO THE STREAM OF COMMERCE.

See Exhibit B.158 hereto attached.

7.159 OPINION – PURDUE AND WALGREENS CO-PROMOTED HYSINGLA EXTENDED RELEASE HYDROCODONE.

See Exhibit B.159 hereto attached.

**7.160 OPINION – PURDUE CLAIMED OXYCONTIN WAS EFFECTIVE
HOWEVER DUE TO THE Q12 DOSING THIS TURNED OUT TO BE
FALSE AND DOSE ESCALATION OCCURRED CREATING AN OPIOID
ADDICTION MACHINE**

See **Exhibit B.160** hereto attached.

7.161 OPINION – PURDUE CREATED DEMAND WITH WHOLESALERS.

See **Exhibit B.161** hereto attached.

7.162 OPINION – PURDUE DESTROYED DOCUMENTS.

See **Exhibit B.162** hereto attached.

**7.163 OPINION – CARDINAL PROVIDED MARKETING TO
MANUFACTURERS TO GET MESSAGES TO CVS.**

See **Exhibit B.163** hereto attached.

**7.164 OPINION – PURDUE DID NOT WANT TO REVEAL ITS BLAME THE
VICTIM APPROACH TO ADDICTION FROM ITS DRUGS.**

See **Exhibit B.164** hereto attached.

**7.165 OPINION – PURDUE EXERTED INFLUENCE OVER NATIONAL
ASSOCIATION OF STATE CONTROLLED SUBSTANCES AUTHORITIES
(NASCSA).**

See **Exhibit B.165** hereto attached.

**7.166 OPINION – PURDUE FAILED TO CORRECT MISINFORMATION
ABOUT OPIOIDS FOR HEADACHES.**

See **Exhibit B.166** hereto attached.

7.475 OPINION – THE “VENTURE” USED AND CONTROLLED MANY FRONT GROUPS TO UNDERMINE ADDICTION RISK AND INCREASE MARKET TO INAPPROPRIATE PATIENTS

See Exhibit B.475 hereto attached.

7.476 OPINION – MALINCKRODT OPINIONS

See Exhibit B.476 hereto attached.

7.477 OPINION – “VENTURE” MEMBERS HAD AGREEMENTS WITH WHOLESALERS, INCLUDING BUT NOT LIMITED TO: "

See Exhibit B.474 hereto attached.

7.478 OPINION – “VENTURE” MEMBERS HAD INVENTORY LICENSE AGREEMENTS WITH WALGREENS WHEREBY THEY RECEIVED DATA THAT COULD HAVE BEEN USED TO MONITOR SUSPICIOUS ORDERS. THIS DATA GAVE VENTURE MEMBERS VISIBILITY INTO THEIR CUSTOMER’S CUSTOMERS.

See Exhibit B.478 hereto attached.

7.479 OPINION – CVS’S SUSPICIOUS ORDER MONITORING SYSTEM DID NOT MONITOR SUSPICIOUS ORDERS. IT’S SOM POLICY SPECIFIED THAT IF MULTIPLE ORDERS FOR THE SAME STORE ARE FLAGGED DURING THE SAME MONTH, ALL ORDERS AFTER THE FIRST ORDER WILL NOT BE INVESTIGATED AND WILL BE AUTOMATICALLY RELEASED BASED ON THE RELEASE OF THE FIRST ORDER

See Exhibit B.479 hereto attached.

7.480 OPINION – WALMART HELPED ACTAVIS MARKET OPIOIDS

See Exhibit B.480 hereto attached.

Exhibit B.159, David S. Egilman Report Opiate Litigation

OPINION – PURDUE AND WALGREENS CO-PROMOTED HYSINGLA EXTENDED RELEASE HYDROCODONE.

Basis:

Purdue shared targeted physicians with Walgreens

2014.12.17 - PPLPC031001277089_image - IMS Health Data Sharing Agreement between Purdue + Walgreens to co-promote Hysingla.

ATTACHMENT A

As used in the Data Sharing Agreement of which this attachment is a part:

- A. "License Agreement" refers to the agreement by and between IMS and Purdue, which, among other things, defines the terms upon which Purdue may use and disclose the Data (as defined below) and/or Materials, as the case may be, and which agreement(s) is/are in effect as of the date of this Agreement.
- B. "Information" or "Data" refers to the following information and/or data provided pursuant to the applicable License Agreement, or any information derived from access by Walgreen to software, documentation and/or other materials ("Materials") licensed or disclosed to Purdue or Walgreen, as applicable, by IMS under the terms of the applicable License Agreement:

Effective Date: December 17, 2014

Expiration Date: December 17, 2015

"Information" / "Materials" shall mean:

Data provided from the following IMS service(s)/database(s): HCPS™ and Xponent™ - will be used to assist in providing NPI, name, and address for a select group of HCPs.

Period(s) reported in the data: based on availability of Data during Dec 2014 Format(s) of the data: Email/Excel

Frequency of delivery of data (if more than one data delivery): One-Time

Specific drug(s) being co-promoted: Hysingla

USCs, Therapeutic class(es) and market(s) included in the data: Analgesics

- C. "Purpose" refers to the only purpose for which Walgreen may use the Information and Materials, which purpose is defined as follows (please place an "X" next to the most appropriate category): Products Stocking

Frequency of reporting by Walgreen to Purdue using Data/Materials: TBD

- D. Briefly describe the project/activity with which the Data / Materials will be used: Product Stocking - Purdue will provide a list of potential Hysingla ER prescribers for the purpose of Walgreens matching to their store/prescriber information so they can determine the appropriate stores to stock.

Exhibit B.193, David S. Egilman Report Opiate Litigation

OPINION – REBATES INCREASE PROFITS AND SALES AND WERE USED TO INFLUENCE PHARMACISTS.

PDD8801142702 - extra \$70 profit with the 80mg because of the rebate

From: Phil Cramer
Sent: Tuesday, April 22, 1997 10:03 PM
To: John Arent; Windell Fisher; Paul Kasprzycki; Stephen Seid; Bruce Taggart; Russell Gasdia
Cc: Kathy Doran
Subject: Re: OxyContin 40mg & 80mg Stocking

Russ,

I have been dismayed to see the inconsistency in stocking within districts. There are a fair number of representatives who have good stocking, and as to be expected, these are generally the top reps.

I think stocking of the 40mg and 80mg should be a major emphasis at the upcoming one day meetings. We can have a workshop highlighting sales ideas from the successful representatives. A couple of ideas that I have run across recently:

***Lynn Sipe uses the rebate in a unique way. He tells the pharmacist that they will realize an additional \$70 profit on their first prescription of the 80mg. While this may seem like a slight variation from presenting the rebate, it gets the pharmacist to focus on the business impact and the effect on their bottom line.

***Catherine Swanson has been asking pharmacies that are reluctant to stock the 80mg, "which pharmacy would you stock in town, Dr. _____ is going to use the 80mg and I need to tell him where his patients can get their prescription filled."

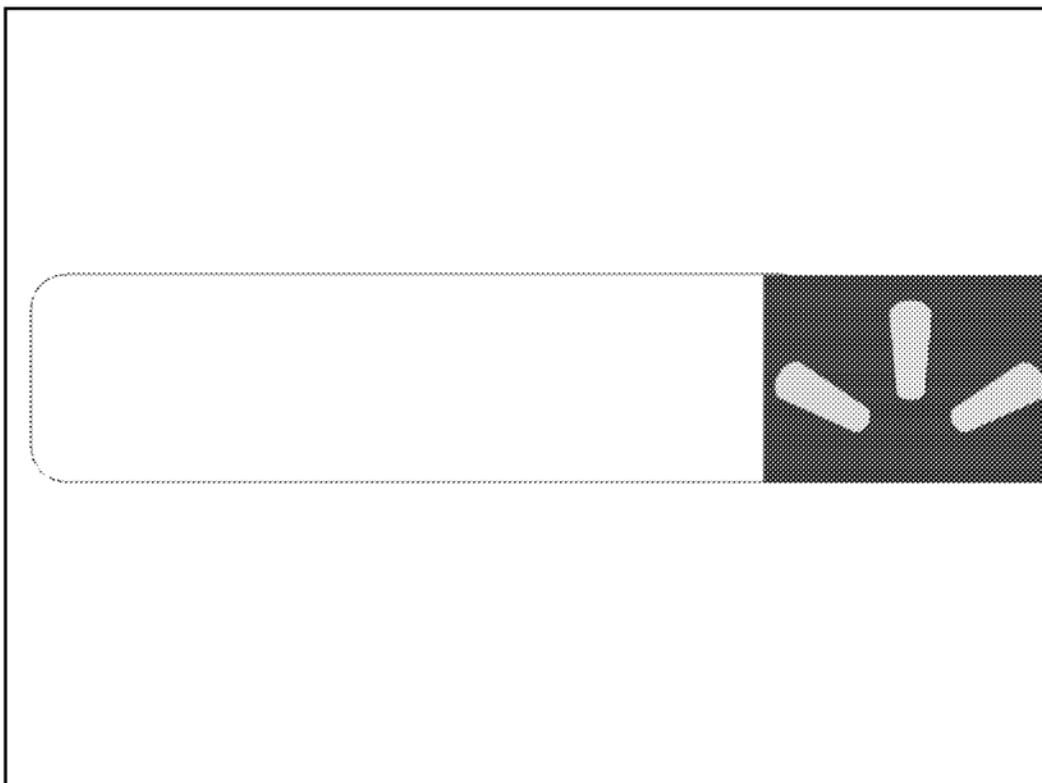
In every case, it is imperative for the rep to identify potential 80mg patients with their key physicians and then go to their key pharmacies with specific information. If the rep does a good enough job, the pharmacist can even call the office to check on the script.

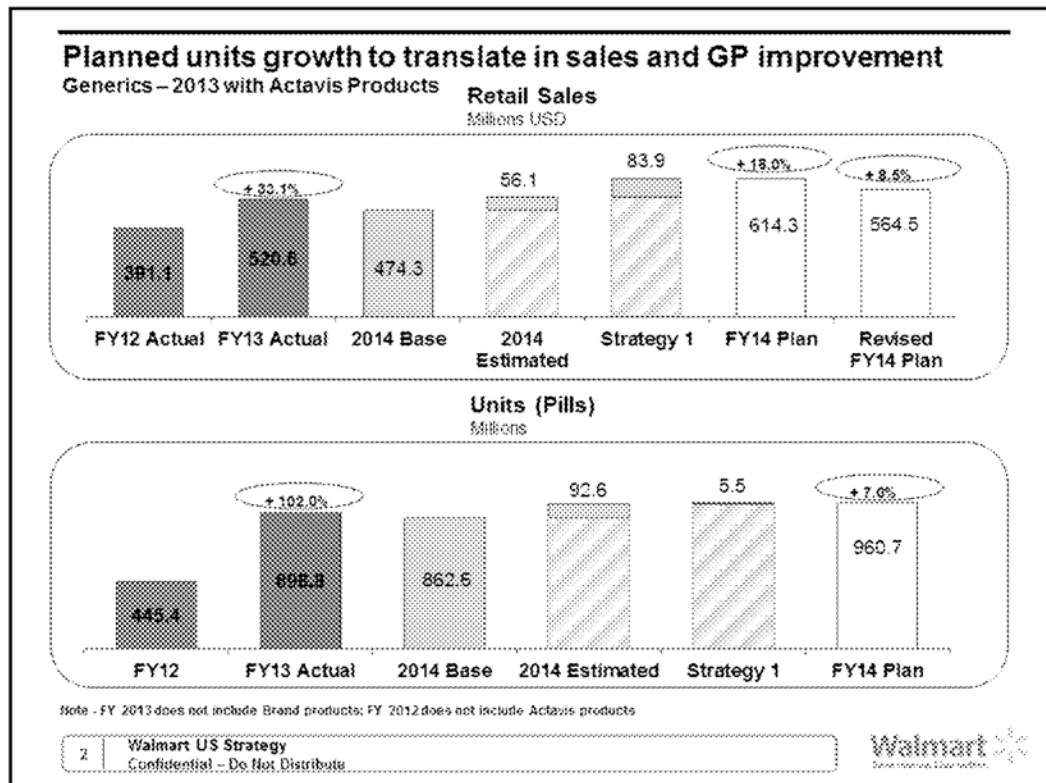
If we do decide to go with a contest, it will be important to recognize the reps who have done a good job already.

Phil

Opinion - Walmart helped Actavis Market Opioids







Totals for 2013 include the Watson and Actavis products. Data does not include Atorvastatin


Lamotrigine ODT

Rasagiline

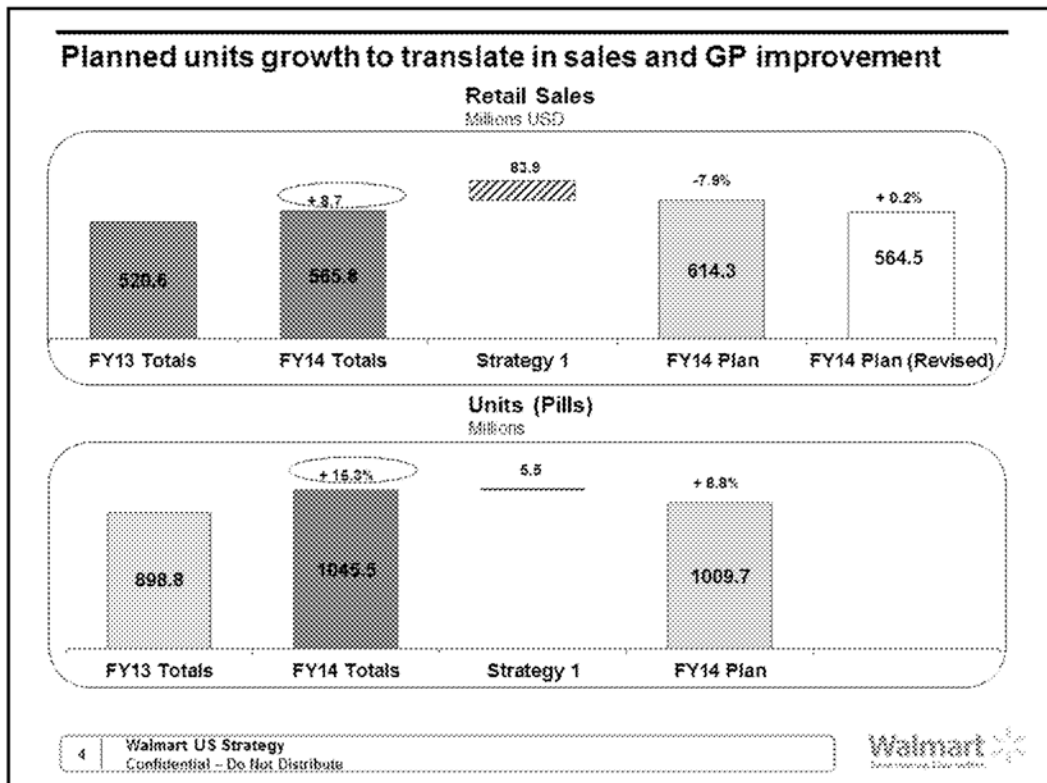
Hydromorphone

Lidocaine TDS

Revised Plan Reduces the sales dollars by those products not launched and includes an adjustment in the margins for the Lidocaine and Buprenorphine/Nalox.

Financial Performance Year Totals					
2013 Totals Versus 2014 Totals					
In Millions					
	<u>2013</u> <u>Totals</u>	<u>2014</u> <u>Totals</u>	<u>Actual</u> <u>Increase</u>	<u>Actual</u> <u>Plan</u>	<u>Plan %</u> <u>Increase</u>
Total Sales	520.6	565.8	8.0%	614.3	-7.9%
Total Sales Revised Plan		565.8		564.5	0.2%
Gross Profit %	58.4%	52.2%	-10.6%	61.3%	-14.8%
Units	898.8	1045.5	14.0%	960.7	8.8%
<div> <div>3</div> <div>Walmart US Strategy Confidential - Do Not Distribute</div> </div> <div>  </div>					

GP% solely due to the over-estimation of Lidocaine and Buprenorphine/Nalox.



Strategy 1 products either launched or have been pushed out to Wal-Mart fiscal 2015

YTD Category Performance													
	NDC Count	SALES GROWTH								Profitability			
		Retail Sales \$ and YOY Change %						Units				Gross Profit	
Category	F12 - F14	2013 TOTAL \$	2014 TOTAL ACT \$	2014 ACT %	Fiscal 2014 Plan \$	F14 Plan % Increase	2013 TOTAL QTY	2014 TOTAL QTY	YTD ACT %	Fiscal 2014 Plan Qty	F14 Plan % Increase	YTD TOTAL	F14 Plan
ANTI-INFECTIVE	10	23.2	23.5	1.3%	22.9	2.8%	42.8	42.3	(1.2%)	43.0	(1.6%)	73.1%	65.3%
DIABETES RX	11	23.5	18.2	(29.1%)	23.2	(21.6%)	60.9	56.9	(7.0%)	61.1	(5.9%)	48.4%	47.3%
GASTROINTESTINAL	3	6.3	5.4	(16.7%)	5.7	(19.4%)	30.8	19.9	(53.8%)	31.0	(55.9%)	36.3%	71.0%
HEART HEALTH	21	138.4	140.4	0.7%	136.1	3.2%	283.7	212.2	4.0%	203.8	4.4%	66.0%	55.6%
MENS	3	2.0	5.8	69.7%	3.3	100.0%	8.4	1.0	60.0%	0.8	66.7%	76.7%	67.6%
MENTAL	36	222.6	240.8	7.6%	225.8	6.6%	404.6	515.4	21.5%	450.2	14.5%	66.3%	64.5%
ONCOLOGY	2	1.9	2.0	5.0%	1.9	5.3%	7.5	8.2	8.5%	7.5	9.3%	34.5%	51.5%
OPHTHALMIC	1	0.2	1.1	61.6%	0.9	22.2%	0.4	1.9	78.9%	1.4	35.7%	77.7%	79.5%
PAIN MANAGEMENT	23	48.0	71.4	32.8%	132.0	(45.9%)	94.8	127.9	26.5%	101.8	25.9%	57.5%	72.1%
RESPIRATORY 2	3	5.2	9.0	42.2%	12.0	(25.0%)	3.7	8.8	58.0%	9.1	(5.3%)	70.8%	33.6%
SKIN	7	5.7	7.0	15.8%	5.7	4.5%	4.0	5.2	23.1%	4.6	13.0%	25.8%	29.3%
URINARY	3	6.2	7.7	19.5%	7.6	1.3%	3.6	4.4	18.2%	3.9	12.8%	67.9%	62.1%
WOMENS	14	36.4	32.4	(12.3%)	35.1	(7.7%)	42.6	41.5	(2.7%)	43.4	(4.4%)	52.2%	46.7%
TOTAL WMT US	137	520.6	565.8	8.0%	514.3	(7.9%)	898.8	1,045.5	14.0%	960.7	8.8%	48.8%	61.3%

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Walmart

Sam's Club

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Sales

Gastro – Due to the discontinuance of Ranitidine

Pain Mgmt sales is due to over valuing the Lidocaine and Buprenorphine/Nalox \$s

Respiratory – Solely due to estimations

Womens – Pre-dominantly due to the loss of Reclipsen.

Profitability


Gastro – due to the discontinuance of Ranitidine

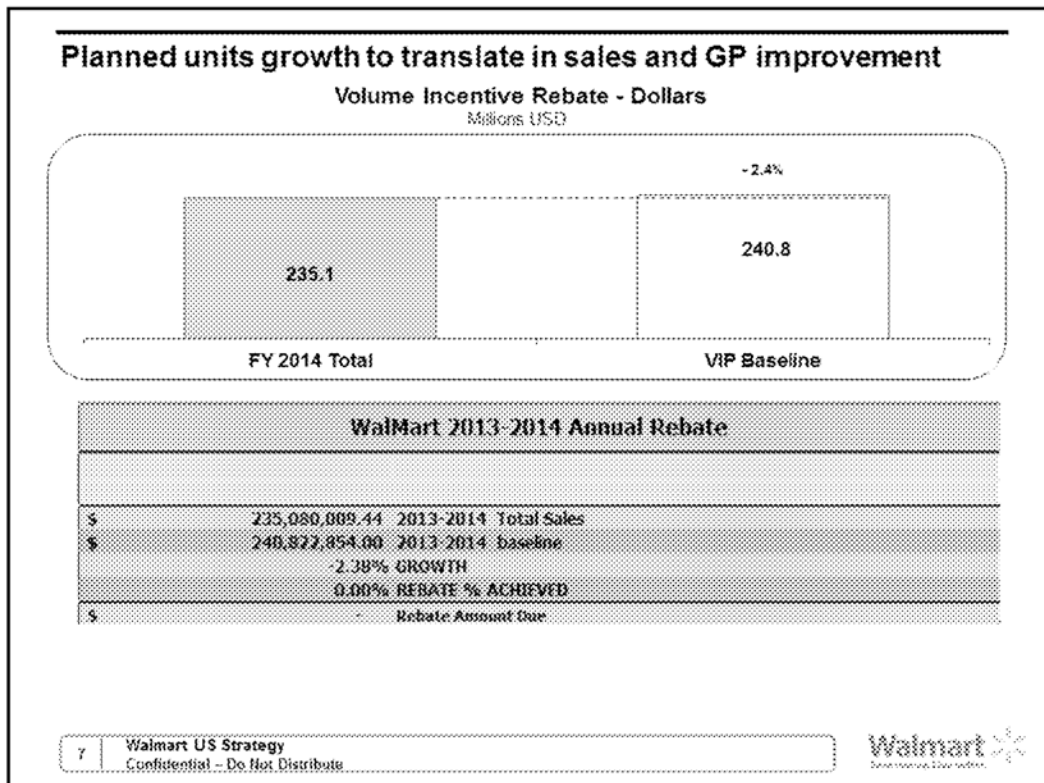
Oncology – Profitability did not account for changes in market conditions (price increase)

Respiratory – Significant changes in market pricing – price decreases in the market WM price reduction in Feb 13

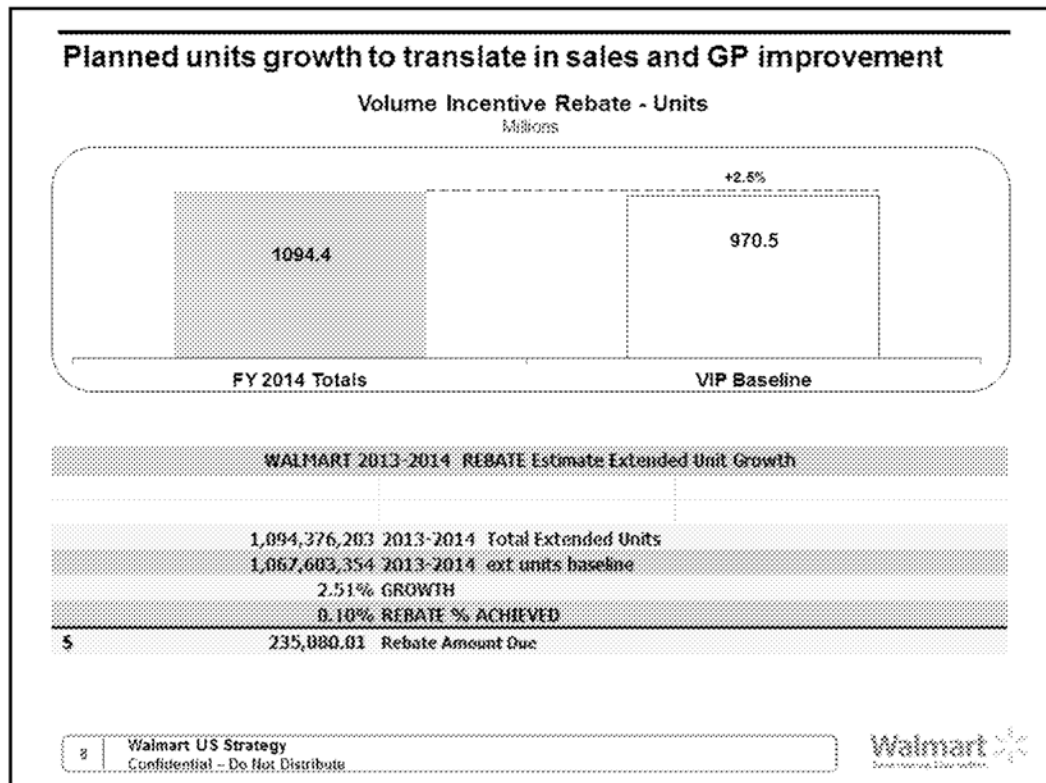
Skin – Recommend WM reviews Podofilox re-imbursement rate

Pain Management due solely to estimations

Financial Performance Totals – Unit Turns by Category				
CATEGORY	<u>2013 Totals</u> <u>Instock %</u>	<u>2014 Totals</u> <u>Instock %</u>	<u>2013 Totals</u> <u>Unit Turns</u>	<u>2014 Totals</u> <u>Unit Turns</u>
ANTI-INFECTIVE	98.17	96.68	6.54	6.77
DIABETES RX	99.18	99.21	7.74	10.39
GASTROINTESTINAL HEALTH	99.22	99.10	5.62	6.44
HEART HEALTH	99.05	99.07	15.54	19.24
MENS HEALTH	97.59	97.45	2.85	4.45
MENTAL HEALTH	99.21	99.09	14.37	18.46
ONCOLOGY	98.12	98.40	7.16	12.01
OPHTHALMIC	97.40	99.64	4.94	4.24
PAIN MANAGEMENT	96.57	98.06	9.75	13.31
RESPIRATORY HEALTH2	97.87	98.93	5.10	3.59
SKIN HEALTH	97.51	97.84	3.12	3.55
URINARY HEALTH	99.13	99.05	3.88	4.43
WOMENS HEALTH	98.57	95.48	6.42	7.71
<small>* Pulled from RetailLink Vendor Scorecard</small> <div> <div>5</div> <div> Walmart US Strategy Confidential – Do Not Distribute </div> </div> <div>  <small>Walmart Save money. Live better.</small> </div>				



Total Sales \$s include Canada and UK



Strategy 1 products either launched or have been pushed out to Wal-Mart fiscal 2015

Items Wins

- **Material Description Won**

- Buprenorphine/Naloxone 2mg/0.5mg, 8mg/2mg - 2/22/2013
- Enoxaparin Sodium 40mg/0.4mL - 4/10/2013
- Nabentone 500mg, 750mg
- Alprazolam ER 0.5mg, 1mg, 2mg, 3mg - 9/25/2013
- Oxymorphone ER 5 mg, 7.5mg, 10mg, 15mg, 20mg, 30mg, 40mg 100ct - 10/28/2013
 - 60cts added 1/29/2014
- Lorazepam 0.5mg, 1mg, 2mg - 11/22/2013
- Desonide Lotion 0.05% - 11/25/2013
- Nystatin Ointment 10000U - 11/25/2013
- Tretinoin 0.025% Cream - 11/25/2013
- Tamsulosin 0.4mg - 1/16/2014
- Telmisartan 20mg, 40mg, 80mg - 1/16/2014

- **Value - \$37.5M Est. Annual Retail Sales**

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Walmart US Strategy
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Save money. Live better.

Items Losses

- **Material Description Loss**

- Amethia 0.5/0.03mg + 0.01mg Tab 2x91
- Glyburide/Metformin 1.25/250mg, 2.5/500mg
- Prednisone 10mg 100ct, 500ct
- Reclipsen 0.15mg / 0.30mg
- Zarah 3/0.03mg Tab 3x28

- Value - \$9.4M Est. Annual Retail Sales

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Walmart US Strategy
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Key Product Price Adjustments

- **Significant Changes - Decreases**

- Betamethasone Diprop 0.05% and Betamethasone Diprop Aug 0.05%
- Desmopressin 0.2mg
- Glipizide ER 2.5mg, 5mg, 10mg
- Levalbuterol HCl 0.31mg, 0.63mg, 1.25mg
- Methylphenidate ER 18mg, 27mg, 36mg, 54mg
- Nateglinide 60mg, 120mg
- Tropicium Chloride ER 60mg

- Value - \$24.5M Estimated Annual Cost Savings

- **Significant Changes - Increases**

- Chlorzoxazone HCl 500mg
- Methylphenidate ER Caps 20mg, 30mg, 40mg
- Nizatidine 150mg, 300mg
- Prednisone 20mg
- Promethazine Suppositories 25mg

- Value - \$4.9M Estimated Annual Cost Increases

- Overall Net Change - \$19.6M Estimated Annual Cost Savings

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Walmart US Strategy
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2014 Walmart Joint Business Plan Tracker			
Key Deliverables	Target Date	Completion Date	Responsible
JBP 2014 Planning meeting	March 2013	3/13/13	Alan
JBP FY14 final JBP Presentation	April 2013	4/12/13	Alan, Andy, Christina, and Cindy
Obtaining final list of FY14 pre-committed products. Pipeline and JBP Appendix Items	5/12/13; Within 30 days of final JBP presentation	Received final new product pre-commits from pharmacy team.	Walmart Buying group
Annual Volume Incentive Program – Walmart Inc. 1. Alan and Cindy to finalize agreement including based on receiving final list of pre-committed products from Walmart buying team 2. Cindy to forward agreement to Walmart 3. Walmart reviews and completes	June 1	Finalized and executed between Walmart and Actavis by target date	Andy, Alan, Cindy, Christina, and Actavis Contracts Team
New Product Conversion Program 1. Cindy to work with Alan and Actavis Contracts team to prepare and send agreement to Walmart in advance of pre-committed product launches 2. Cindy will work with Actavis marketing program to identify internal marketing plans for new products in advance of new launches	May 31	New product Conversion Program was implemented for the following new-to-market products: Lidoderm 5% patch and Temezan tablets. Ongoing	Cindy, Alan, Actavis Contracts Team
Global Actavis Agreement for Walmart 1. Andy to work with Actavis Canada and UK group to find out sales and products being sold to Walmart 2. Andy to meet with Actavis Legal to determine viability of preparing one aggregate Volume Incentive program for Walmart Inc. (UK and Canada sales could tie into volumes for establishing the VIP program)	July 1	11/14/13 - Walmart Inc. agreement was completed	Andy, Alan, Sandy
<div>12 Walmart US Strategy</div> <div>Confidential – Do Not Distribute</div> <div>Walmart Sam Walton's Low Cost Retailer</div>			

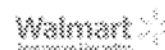
2014 Walmart Joint Business Plan Tracker			
Key Deliverables	Target Date	Completion Date	Responsible
<p>In support of "Walmart's Made in America initiative" Actavis will identify 1-2 products currently made outside the US to determine feasibility and costs to Actavis and Walmart for moving the manufacturing to the US</p>	August 1	Actavis identified ibuprofen as a potential product to move manufacturing to the US; however, Walmart was locked into an agreement with a company that makes the product in the US.	Andy, Alison, Cindy
<p>Direct/indirect purchase review – conducted quarterly to identify any significant increase or large indirect purchases.</p> <ol style="list-style-type: none"> Indirect purchases that exceed 400 bottles per month, or more than 3% of their usage will be brought to the buyer's attention. Buyers will take action within 15 days of notice 	<p>Within 30 days after close of each quarter: Mar, 31st, Aug, 31st, Oct, 31st, Feb 28th</p>	Completed Q1, Q2, Q3, and Q4 review.	Cindy, Christina
<p>RetailLink</p> <ol style="list-style-type: none"> Training Full data access needed for Christina Kofele to be able to access Wal-Mart's indirect purchases of Actavis generics, brands, and Actavis OTC products. 	June 30, 2013	Cindy and Christina completed RetailLink training: May 2013	Cindy, new Addex Customer Service team
<p>Joint Supply Chain Reviewing Meeting between Walmart and Actavis Operations teams at a Walmart DC. Investigate opportunities for increasing operational efficiencies as they relate to:</p> <ol style="list-style-type: none"> Case pack ordering Pallet ordering Breaking pallets into layers Returns - Review current process for improving efficiencies, identify current return rate 	August 31, 2013	Supply Chain meeting between Walmart and Actavis took place at the Bentonville, AR Distribution Center on August 27, 2013. "Smart Ordering" was discussed. Action plan to be presented as a P+15 JBP initiative.	Cindy, Andy, Ed Griner, Christina Kofele, Walmart/Actavis operations teams, Walmart buyers, customer service reps

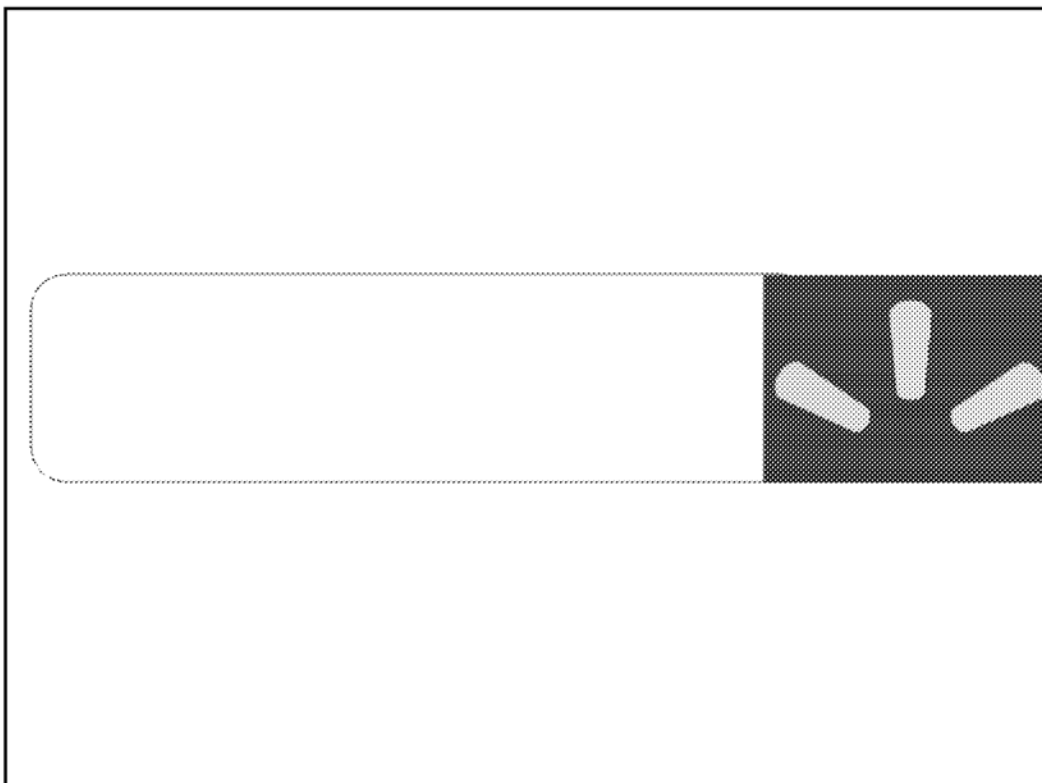
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Walmart US Strategy
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2014 Walmart Joint Business Plan Tracker			
Key Deliverables	Target Date	Completion Date	Responsible
Compliance Pack Opportunities 1. Mixed Amphetamine - Meetings taking place with packagers during NACDS annual meeting 2. Actions to identify Compliance pack repackaging company 3. Agreement to be prepared and finalized 4. Forecast and date for stability completion and eta date of finished compliance pack product	July 31	In progress. Timeline for moving Methylphenidate 36mg and 54mg from 100 to 30 ct bottles is estimated for April/May timeframe.	Cindy, Ande
"Printed Line" Outer Carton	Q4 - 2013	Currently in process of finding. Estimated test date Q2/Q3 14	Ande, Cindy
Review Line and upcoming products for appropriate bottles sizes 1. Cindy and Christina will review purchases quarterly (broken out for each buyer) to determine if an alternative bottles size should be purchased by Walmart, based on dispensing history and Watson ability to provide an alternative size. 2. Methylphenidate ER - move to 30 ct bottle	Within 30 days after date of each quarter: May 31 st (Sharon's products), Aug. 31 st (Steve's products), Oct. 31 st (Jodie's products), Feb. 29 th (Patsy's products).	Complete review of Sharon, Steve, Jodie, and Patsy's	Cindy, Christina
Compliance Pack Return Policy - Complete and send to Walmart	May 29	Already covered under Watson return policy for Watson label products	Ande, Cindy, Actavis Contracts team
New products Distribution - communicate with Walmart Buyer in advance of each new product launch to determine if Ande should perform initial shipment. No cost to Walmart. Additionally, determination is to be made by Walmart Buyer if this is a B to C full launch	30 days or more prior if the date is firm or very likely.	Lidocaine and Fentanyl launches were "Rapid shipped" by Ande to Walmart stores.	Cindy and Walmart Buyer
Addendum to Return Policy: Cover unopened partials of liquids for Walmart	Q3 2013	Addendum was created and executed between Walmart and Actavis effective 12/1/13	Patsy and Cindy
Schedule Quarterly Reviews	To be scheduled with Patsy	Ongoing with Patsy	Patsy and Cindy

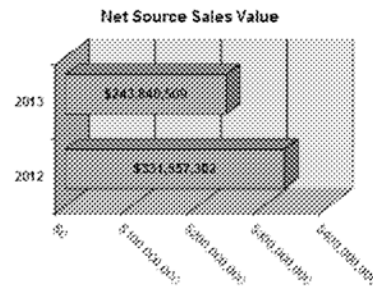
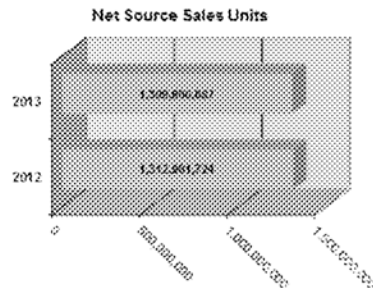
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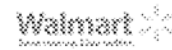
Business Review

Category	Net Contract Sales Out - (Ext Units)			Net Contract Sales - Out Dollars		
	2012	2013	% Change (or Variance)	2012	2013	% Change
GENERIC						
RX	1,074,542,456	1,008,782,897	-6%	223,350,714	128,511,653	-42%
Methylphenidate ER (gConcerta)	15,395,130	15,305,518	-1%	60,790,167	50,822,129	-16%
HCRA	789,457	611,129	-23%	77,014	94,181	22%
Lidocaine		2,184,030			13,335,663	
C. II	34,033,509	35,558,666	4%	10,938,085	10,893,676	0%
Controls	56,932,315	54,704,689	-4%	640,433	2,775,602	333%
Birth Control	46,032,323	39,112,046	-15%	24,241,094	17,118,520	-29%
TOTAL GENERIC Rx:	1,227,725,191	1,156,258,976	-6%	\$320,039,247	\$223,550,833	-30%



NOTE: 2012 Sales Opioid does not include Artavis sales by units

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Wai-Mart Product Country of Origin					
Product Family	Country	Product Family	Country	Product Family	Country
ACARBOSE	MALTA	GLYBURIDE-METFORMIN	US	PROGESTERONE INI	PORTUGAL
ALBUTEROL SULFATE	INDIA	IBANDRONATE SOD	MALTA	PROPYLTHIOURACIL	US
AMOXAPINE	INDIA	IPRATROPIUM ALBUT	INDIA	QUINIDINE SULFATE	INDIA
BUPROPION Wellbutrin	US	LEVETIRACETAM	US	RVASTATININE TARTRAT	INDIA
BUPROPION XL ACT	US	LOXAPINE	INDIA	ROPINIROLE HCL ER	US
CARBOPOL-LEVODOPA	US	MATZIN LA	US	SILDENAFIL REVATIO	INDIA
CHLOROZAZONE TAB	INDIA	METFORMIN HCL XT AG	US	SULFASALAZINE	US
CLARITHROMYCIN	US	METOPROLOL SUCC ER	US	SULINDAC	INDIA
CLOBETASOL	US	METRONIDAZOLE	INDIA	TAMOXIFEN CITRATE	US
CLONIDINE	US	MNOCYCLINE	INDIA	TAMSULOSIN HCL	GERMANY
DESIPRAMINE	US	MNOCYCLINE	INDIA	TAZTIA XT	US
DESMOPRESSIN ACETATE	US	NABUMETONE	INDIA	TELMISARTAN	INDIA
DICLOFENAC SOD/MSOP	US	NATEGLINIDE	INDIA	TESTOSTERONE	PORTUGAL
DISOPYRAMIDE	INDIA	NIFEDIPINE	US	TIZANIDINE	IRELAND
DOXYCYCLINE MONOHYDR	US	NIZATIDINE	INDIA	TRANDOLAPRIL	MALTA
ENOXAPARIN SOD	US	PILOCARPINE	CANADA	TRIHXYPHENIDYL	INDIA
ESTROFIPATE	US	PREDNISONE	INDIA	TRICERPLUM CHORIDE	US
FLUTAMIDE	US	PRINDONE	INDIA	VALPROIC ACID	US
GABAPENTIN TAB	INDIA	PROBENECID	INDIA	VERAPAMIL	INDIA
GLIPICIDE ER	US	PROBENECID COLCHICIN	INDIA	VERAPAMIL SR	IRELAND

MADE IN USA

- Oral Contraceptives (Except for a few made in Canada)
- Liquids
- Topicals
- Time Release
- Controls (Except Testosterone)

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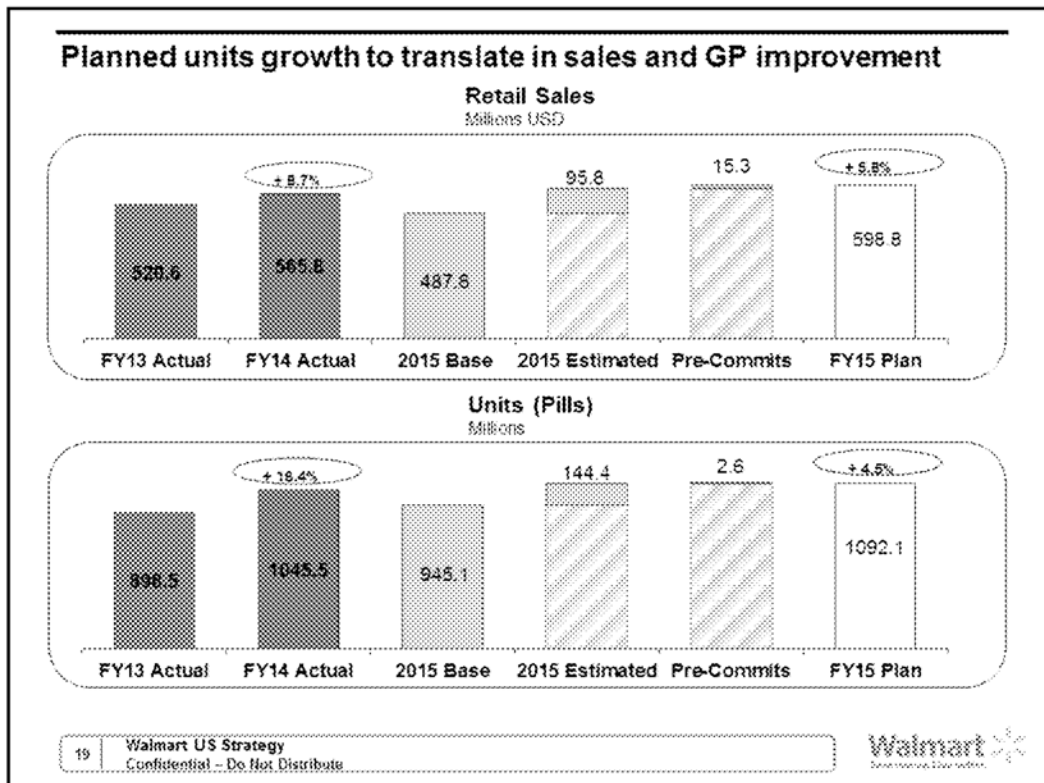
Updated based on current contract 5/8/2014

Top 20 Products by Family and Sales Quantity - Country of Origins

Product Family	Fiscal 2016 Q1 Sales Qty	Country of Manufacturer
METOPROLOL SUCC ER	529,541	USA
GLIPIZIDE ER	493,386	USA
ALPRAZOLAM	171,313	USA
BUPROPION XL ACT	147,530	USA
OXYCODONE HCL	99,041	USA
BUPROPION Wellbutrin	96,480	USA
PREDNISONE	95,639	India
CARBIDOPA/LEVODOPA	93,643	USA
FENTANYL PATCH	89,010	USA
GABAPENTIN TAB	85,259	USA
CLONIDINE	85,249	USA
LORAZEPAM	72,719	USA
TAZIDIA XT	63,573	USA
BUPROPION XL	57,460	USA
IBUPROFEN (RX)	57,411	USA
MICROGESTIN	56,462	USA
TAMOXIFEN CITRATE	55,203	USA
LIDOCAINE PATCH	53,845	USA
SILVER SULFADIAZINE	51,597	USA
METHYLPHENIDATE AG	48,784	USA

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Hydromorphone ER

June 2014

Methylphenidate ER TD Patch

August 2014

Rivastigmine TD

Aug 2014

Guanfacine ER

Dec 2014

Generic Base Business is Growing Sales and Units														
	NDC Count	Retail Sales \$ Millions			Retail Sales % Change Y/Y			Retail Units \$ Millions			Unit Sales (Pills) % Change Y/Y		Gross Profit %	
Category	F13 - F15	F13 ACT	F14 ACT	F15 Goal	F13 ACT	F14 Goal	F15	F13 ACT	F14 ACT	F15 Goal	F13 ACT	F15 Goal	F13 ACT	F15 Goal
ANTI-INFECTIVE	10	23.2	23.6	26.7	-1.3%	13.5%		42.8	42.3	45.4	0.5%	14.5%	55.1%	76.8%
DIABETES RX	12	23.5	16.2	17.3	-1.3%	-2.1%		60.9	56.9	56.9	0.3%	-0.1%	47.6%	63.2%
GASTROINTESTINAL	4	6.3	5.4	4.3	6.3%	-20.1%		30.6	18.9	14.4	1.3%	-27.6%	71.7%	36.3%
HEART HEALTH	22	139.4	140.4	152.6	-2.4%	8.7%		203.7	212.2	214.8	0.1%	1.2%	56.7%	66.9%
MENS	3	2.0	6.6	6.7	65.0%	0.9%		6.4	1.0	1.0	50.0%	-4.1%	60.6%	50.7%
MENTAL	41	222.6	236.9	243.5	1.5%	1.1%		404.6	516.4	576.9	11.2%	11.9%	61.8%	67.1%
ONCOLOGY	2	1.6	2.0	2.2	6.0%	11.0%		7.5	8.2	8.2	0.0%	0.3%	51.5%	30.0%
OPHTHALMIC	1	0.2	1.1	1.2	350.0%	4.6%		0.4	1.3	1.9	250.0%	0.2%		80.4%
PAIN MANAGEMENT	21	40.0	71.4	93.4	176.0%	36.3%		94.0	127.8	116.1	7.9%	-9.2%	79.6%	40.4%
RESPIRATORY 2	3	5.2	9.9	8.9	130.8%	-1.6%		3.7	8.8	8.8	142.9%	-0.4%	35.3%	76.0%
SKIN	8	5.7	7.0	7.2	17.5%	2.7%		4.0	5.2	5.4	15.0%	4.5%	28.5%	34.1%
URINARY	3	6.2	7.7	7.6	22.6%	-1.9%		3.6	4.4	4.4	0.3%	-0.6%	73.9%	70.7%
WOMENS	17	36.4	32.4	26.9	-3.8%	-17.1%		42.6	41.5	34.9	1.9%	-18.9%	44.5%	19.5%
TOTAL WMT US	147	526.6	565.8	598.8	18.0%	5.8%		898.8	1045.5	1092.1	7.6%	4.5%	56.8%	61.9%

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Sales

Anti-infective due to the addition of Nystatin

Gastro – Ranitidine discontinuance

Pain Management – Due to the addition of Lidocaine patches

Womens Health – Due to the loss of Reclipsen

GP%

Diabetes – Increase in GP due to cost reduction in the Glipizide ER

Gastro – solely due to Ranitidine

Heart Health – Clonidine and Metoprolol ER – high volume products with high GP bring the overall level up

Men Health – Due to market conditions Actavis found it necessary to take a price increase

Pain Management – Conservative Estimate on Hydromorphone ER; with the reductions on Lidocaine, This should increase

JBP Launches...			
Category	New Items NDC Count	New Item Names	Unit Sales (Pills) Millions
HEART HEALTH	4	GUANFACINE ER (XTUANY) 1MG, 2MG, 3MG, 4MG	1.1M
MENTAL	2	RIVASTIGMINE TD (XELON PATCH) 4.5MG, 9.5MG, 13.5MG	0.8M
PAIN MANAGEMENT	3	HYDROMORPHONE ER (EXALGO) 8MG, 12MG, 16MG	0.1M
WOMEN'S	1	BANETTE (NATACIA) 2MG, 3MG, 4MG	<0.1M
TOTAL WM US			2.0M

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Hydromorphone ER

June 2014

Rivastigmine TD

Aug 2014

Banette

Sept 2014

Guanfacine ER

Dec 2014

JBP Growth Plan and Initiative Tracker – Company Actavis					
GOALS			OPPORTUNITY		
Product Opportunities					
Opportunity	Joint Initiative	Supplier Owner	WMT Owner	F15 Target	Notes
Product Opportunities	Hydromorphone ER (Exalgo)	Cindy Stevens	Jodi	June 2014	13 Brand Disp TR: 2.35M
	Rivastigmine TD (Exelon)	Cindy Stevens	Patsy	August 2014	13 Brand Disp TR: 1.5M
	Banette (Natazia)	Cindy Stevens	Patsy	September 2014	13 Brand Disp TR: 2.4M
	Guafacine ER (Intuniv)	Cindy Stevens	Patsy	December 2014	13 Brand Disp TR: 2.5M
	TOTAL			\$15.3M	

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Proposed Value Added Programs – Draft Concepts

- New Product Launch Conversion Program
- Walmart/Actavis Generic Market Penetration Program
- Portfolio Management Program

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New Entry Conversion Program
Pre-Commit / At Market Formulation Products

- Week 1: 70% Generic Conversion – 1.0% Rebate
- Week 2: 75% Generic Conversion – 1.5% Rebate
- Week 3: 80% Generic Conversion – 2.0% Rebate
- Week 4: 85% Generic Conversion – 2.5% Rebate
- Week 5: 90% Generic Conversion – 3.0% Rebate
- Week 6: 95% Generic Conversion – 3.5% Rebate

Rebate level attained will be applied to the first 6 weeks of product launch

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Walmart / Actavis Generic Market Penetration Program

- Paid Semi-Annually
- Walmart to provide Actavis with dispensing data of Brand Sales, Total Generic Sales and Actavis Sales by GPI/GCN
- Actavis will calculate the Actavis base generic market share percent (x) and create potential tiers as follows:
 - x+1% Actavis Product – 0.5% Rebate
 - x+2% Actavis Product – 1.0% Rebate
 - x+3% Actavis Product – 1.5% Rebate
 - x+4% Actavis Product – 2.0% Rebate
 - x+5% Actavis Product – 2.5% Rebate
- Actavis shall calculate and pay earned rebate on net direct contract purchases using Walmart dispensing data

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Portfolio Program New Standards Review

2014 Guidelines – Key Highlights

- Products Primary Awarded / Maintained by the first day of the third month of the quarter.
- Products removed from Primary position before the first day of the third month of the quarter will not be eligible for the point(s).
- Points eligible for products that maintain 75% Actavis generic usage (Walmart to supply current formulary & usage on a quarterly basis (clarify total usage)
- The Rebate Percent obtained by the customer will pertain to the full quarter.
- Potential points for new Product launches will be at Actavis discretion.

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JBP Growth Plan and Initiative Tracker – Company Actavis					
		GOALS	OPPORTUNITY		
		EDLP / EDLC Generics			
Opportunity	Joint Initiative	Supplier Owner	WMT Owner	F15 Target	Notes
EDLP / EDLC	Volume Incentive Program (US, UK, Canada) Wal-Mart Inc. 1. Cindy to work with Actavis team to finalize agreement based on receiving final list of pre-committed products from Wal-Mart buying team	Andy, Cindy, Contracts Team	Patsy Little	June 2014	
	New-to-Market Product Conversion Program Cindy will work with Actavis marketing program to identify new products in advance of new-to-market launches Cindy to discuss feasibility of program with each Wal-Mart buyer in advance of new-to-market product launches	Cindy, Contracts Team	Patsy Little	June 2014	
	New Value Added Portfolio Program	Cindy, Actavis Rebates Team	Wal-Mart Buyers	Feb 1	
	Actavis Generic Market Share Program	Cindy, Actavis Rebates Team	Wal-Mart Buyers	Feb 1	
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JBP Growth Plan and Initiative Tracker – Company Actavis

GOALS	OPPORTUNITY
EDLP / EDLC Promoted Brands	

Opportunity	Joint Initiative	Supplier Owner	WMT Owner	F16 Target	Notes
EDLP / EDLC	Price Change Notification Price Increases - Actavis will provide Wal-Mart with 30 days advance notice of a price change, but will provide a 45-day allocation credit. - Current policy provides 60 days notification, with 30 days of units allocated for Wal-Mart.	Christina, Rick, Marc	Patsy Little	June 1	
	Direct/Indirect purchase review - Indirect purchases review – products with volume greater than 3% and/or at least 1 bottle per store. Buyers will be notified. - Alternative bottles size opportunity review based on dispensing history.	Christina	Wal-Mart Buyers	Within 15 Days of Quarter End	Buyers will take action within 15 days of notice *Subject to availability

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JBP Growth Plan and Initiative Tracker – Company Actavis					
		GOALS	OPPORTUNITY		
		Efficiency / Growth			
Goal Type	Joint Initiative	Supplier Owner	WMT Owner	F15 Target	Notes
EFFICIENCY	Schedule Wal-Mart Replenishment meeting with Actavis' Co-managed and Customer relations team members. Topics to discuss include: 1. Case pack Ordering 2. 'Smart ordering' 3. Forecasting 4. Review of the Actavis Co-managed ordering process 5. SWAS reports 6. Backorders and re-supply	Cindy, Actavis Co-Managed Team, Customer Relations	Patsy Little, Wal-Mart Order Replenishment Team	May 21	
	Schedule a meeting in Bentonville between Wal-Mart's post audit team and the Actavis Finance team to obtain a clearer understanding of Wal-Mart's expectations for resolving coops and post audits	Cindy, Actavis Finance team		May 21	
	Back-up Supply - Actavis team to run an analysis to determine the possibility of having those Actavis products that are on Walmart's direct formulary stocked at the Anda DC as a back-up product, when the OICs are out of stock.	Marc, Actavis Marketing Team		July 1	
29	Walmart US Strategy Confidential – Do Not Distribute				Walmart Sam Walton's Low Cost Retailer

JBP Growth Plan and Initiative Tracker – Company Actavis					
		GOALS	OPPORTUNITY		
		Efficiency / Growth			
Goal Type	Joint Initiative	Supplier Owner	WMT Owner	F15 Target	Notes
EFFICIENCY	Compliance Pack Opportunities Actavis to identify potential compliance pack	Marc, Napoleon, Christina, Cindy		Ongoing	
	"Printed Line" Outer Carton	Cindy Stevens	Patsy Little	June 2014	
	Quarterly purchase Review	Cindy Stevens	Patsy Little	Ongoing	Ongoing monitoring of savings
	Review Line and Upcoming Products or Appropriate Bottle Size	Marc, Napoleon, Cindy	Patsy Little	Ongoing	
	Review Line for possible transition to larger bottle sizes and direct shipments from Anda to the Central Fill DCs	Anda	Patsy Little	Ongoing	Transition to Anda for Central Fill saves time, freight & trash * Excludes Controls
39	Walmart US Strategy Confidential – Do Not Distribute				Walmart Serving the world's customers

JBP Growth Plan and Initiative Tracker – Company Actavis					
		GOALS	OPPORTUNITY		
		Efficiency / Growth			
Goal Type	Joint Initiative	Supplier Owner	WMT Owner	F15 Target	Notes
Growth	Bulk/Compliance Pack Opportunities	Cindy Stevens	Patsy Little	On Going	
	Compliance Pack Return Policy – 50% credit, not to exceed 1.5% of annualized compliance pack purchases	Cindy Stevens	Patsy Little	FY14	
	New Product Distribution (Anda?)	Cindy Stevens	Patsy Little	FY14	
	New Entry Conversion Program	Cindy Stevens	Patsy Little	FY14	
	In support of "Wal-Mart's Made in America Initiative" Actavis will identify 1-2 products currently made outside the US to determine feasibility and costs to Actavis and Walmart for moving the manufacturing to the US.	Andy, Marc, Cindy			
*Excludes Predictions					
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APPENDIX

Additional Opportunities

- Amphetamine IR Combo
- Clonidine TDS
- Buprenorphine

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Rite-Aid provided marketing services to TEVA

Teva Fentanyl Patches IVR
Statement of Work

This Statement of Work is entered into between **Teva Pharmaceuticals, USA** a [insert type] corporation with its principal place of business at [insert address] ("TEVA") and **Rite Aid Corporation**, a corporation with its principal place of business at 30 Hunter Lane, Camp Hill, PA 17105 ("RITE AID").

The project described in this Statement of Work shall be completed and delivered in accordance with this Statement of Work. RITE AID shall use its best efforts to complete all work in accordance with the agreed deliverables and dates set forth herein.

SECTION 1: PROJECT OVERVIEW

RITE AID will conduct an IVR phone campaign to patients initiating therapy on Fentanyl Transdermal System or "Patch" manufactured by TEVA.

Program Objective

The goal of this program is to provide patients with education on the proper application of the Fentanyl Patch.

Each patient starting therapy on the Fentanyl patch (NDC's: 00093690045, 00093690145, 00093690245, 00093690345) will be selected to receive an automated phone call from Rite Aid's Interactive Voice Response system. The call will provide important information regarding the proper application of TEVA's Fentanyl Patch and provide that opportunity to speak with a TEVA customer service representative if requested.

The following non-contactable states will be excluded from receiving communications under this program; CA.

SECTION 2: PROJECT MANAGEMENT, INCL. REQUIREMENTS AND QUALIFICATIONS

This project will be managed by [insert name] at TEVA and Kris Roll at RITE AID.

SECTION 3: DELIVERABLES

TEVA shall develop and provide to RITE AID the program materials (Script content). All program materials will have received written approval from the respective TEVA review processes. The parties acknowledge that the communications provided to patients shall disclose that TEVA is funding the communications. RITE AID shall not distribute any communications under this Statement of Work that is not approved in writing by TEVA.

RITE AID shall comply with the federal Telephone Consumer Protection Act, federal CAN-SPAM Act, and all other applicable state laws. Notwithstanding the foregoing, no patient names or other protected health information will be provided to TEVA. RITE AID shall ensure that those patients who have previously elected to "opt-out" from receiving program information from RITE AID shall not receive the program materials. RITE AID standard "Opt Out" language appears in the communication to patients.

RITE AID shall be responsible for the development of the call script and the execution of the call campaign.

SECTION 4: CHANGE CONTROL

Changes to the call content supplied by TEVA will not be made without the consent of the project manager at TEVA. Any change to the call content must be approved by TEVA and RITE AID.

SECTION 5: ACCEPTANCE CRITERIA

All deliverables must be reviewed and approved by the TEVA project owner in order for the deliverable to be considered complete. Any deliverable that was not met or not approved must be reworked to meet the identified acceptance criteria without additional charge to TEVA. TEVA will notify RITE AID within 3 business days of receiving the deliverable for review and approval if it did not meet agreed upon parameters.

SECTION 6: FEE AND PAYMENT SCHEDULE**TEVA Fentanyl Transdermal Patch IVR program**

One time Charge for the development, Set-up and testing of IVR script - \$5,000

Each completed call will be charged at a cost of \$2.50 each

SECTION 7: TERM

The term of this project shall begin upon SOW acceptance and will continue for a period of 12 months.

AGREED TO AND ACCEPTED:**TEVA PHARMACEUTICALS, USA**

By: _____

Name: _____

Title: _____

Date: _____

RITE AID

By: _____

Name: _____

Title: _____

Date: _____